

STATE REVENUE FORECAST
TOTAL GENERAL FUND REVENUE FORECAST
Fiscal Years 2012 and 2013
December 14, 2011
(in millions \$)

	Actual 2011	Prior	Updated	Diff. From	Percent	Percent	Prior	Updated	Diff. From	Percent	Percent	
		Forecast 2012	Forecast 2012	Prior Forecast	Diff. From Forecast	Diff. From Prior Forecast	Growth Over 2011	Forecast 2013	Forecast 2013	Prior Forecast	Diff. From Forecast	Growth Over 2012
Major Taxes												
Sales & Use ⁽¹⁾	6,217.5	6,517.7	6,617.6	99.9	1.5%	6.4%	6,796.2	6,864.6	68.4	1.0%	3.7%	
Individual AGI	4,585.6	4,773.5	4,890.1	116.6	2.4%	6.6%	5,051.2	5,084.0	32.8	0.6%	4.0%	
Corporate - AGI, URT, USUT, FIT ⁽²⁾	704.8	686.5	795.5	109.0	15.9%	12.9%	692.1	784.9	92.8	13.4%	-1.3%	
Riverboat Wagering	529.0	556.5	508.1	-48.4	-8.7%	-4.0%	530.4	471.0	-59.4	-11.2%	-7.3%	
Racino Wagering ⁽³⁾	131.3	127.7	109.4	-18.3	-14.3%	-16.7%	121.4	96.1	-25.3	-20.8%	-12.2%	
Subtotal Major Taxes	12,168.2	12,661.9	12,920.7	258.8	2.0%	6.2%	13,191.3	13,300.6	109.3	0.8%	2.9%	
Other Revenue												
Cigarette ⁽⁴⁾	255.9	257.1	278.9	21.8	8.5%	9.0%	254.3	275.7	21.4	8.4%	-1.1%	
Cigarette - Medicaid	11.6	11.6	11.4	-0.2	-1.7%	-1.6%	11.5	11.3	-0.2	-1.7%	-0.9%	
Insurance ⁽⁵⁾	185.4	177.2	196.2	19.0	10.7%	5.8%	177.2	177.2	0.0	0.0%	-9.7%	
Inheritance	148.7	145.0	165.0	20.0	13.8%	11.0%	145.0	165.0	20.0	13.8%	0.0%	
Alcoholic Beverages	16.1	16.5	16.3	-0.2	-1.2%	0.9%	16.9	16.3	-0.6	-3.6%	0.0%	
Riverboat Admissions	16.4	15.9	15.4	-0.5	-3.1%	-6.0%	15.5	14.0	-1.5	-9.7%	-9.1%	
Interest	22.9	25.0	17.0	-8.0	-32.0%	-25.7%	25.0	16.0	-9.0	-36.0%	-5.9%	
MV, CVET & FIT Recapture	246.7	219.7	247.0	27.3	12.4%	0.1%	200.8	250.0	49.2	24.5%	1.2%	
Miscellaneous Revenue	202.3	211.5	207.0	-4.5	-2.1%	2.3%	211.9	205.9	-6.0	-2.8%	-0.5%	
Subtotal Other Revenue	1,106.0	1,079.5	1,154.2	74.7	6.9%	4.4%	1,058.1	1,131.4	73.3	6.9%	-2.0%	
Total General Fund	\$13,274.2	\$13,741.4	\$14,074.9	\$333.5	2.4%	6.0%	\$14,249.4	\$14,432.0	\$182.6	1.3%	2.5%	

- (1) 'Sales & Use' in December 2011 updated column includes sales tax revenues deposited in the Public Mass Transportation Fund (PMTF) in prior years pursuant to a change in HEA 1001-2011, which provided the PMTF with a direct General Fund appropriation rather than a percentage of the sales and use tax. This increases the sales tax forecast for the State General Fund by \$44.4 M in FY 2012 and \$46.0 M in FY 2013.
- (2) In December 2011, Indiana Department of Revenue's internal audit recognized that an error has led to an understatement of corporate tax revenues starting in January 2007. The prior year amounts totaling \$288 M have been transferred to the State General Fund and will be reported through the state surplus statement. The FY 2012 revenues of \$32.1 M have been deposited in the month they were received and the November revenue report has been updated to accurately reflect the corporate tax revenues to the State General Fund. Incorporating these changes to the corporate tax model increased the forecast by \$101.7 M in FY 2012 and \$97.1 M in FY 2013.
- (3) In October 2011, US bankruptcy court determined that Indiana slot machine wagering tax does not extend to the 15% of AGR set-aside for transfer to Tobacco Master Settlement, horse racing purposes, and the State General Fund. This decision is estimated to impact the slot machine wagering tax deposited in the State General Fund by \$16.0 M in FY 2012 and \$20.4 M in FY 2013.
- (4) 'Cigarette' in December 2011 updated column includes the portion of the cigarette tax dedicated to the retiree health benefit plan that is being redirected to the general fund for FY 2012 and FY 2013 only. This increases the cigarette tax forecast for the State General Fund by \$26.6 M in FY 2012 and \$26.3M in FY 2013.
- (5) Indiana Department of Insurance determined that various guaranty funds had more capital than needed to meet claim liabilities and the excess should be returned to the companies that contributed to the fund through assessments. Since those companies had taken insurance premiums tax credits for those assessments, the disbursed excess will be reimbursed to the State General Fund for those credits. This will result in the State General Fund receiving an estimated \$19.0M in FY 2012.